

ENTERED
Office of the Secretary

FEB 27 2002

Part of
Public Record

204847

CHARLES H. MONTANGE

ATTORNEY AT LAW

426 NW 162ND STREET

SEATTLE, WASHINGTON 98177

(206) 546-1936

FAX: (206) 546-3739

26 February 2002

(by fax and express delivery)

Hon. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423



Re: SP Trans Co. -- Exemption -- Wendel-
Alturas Line in Modoc and Lassen
Counties, CA, AB-12 (Sub-no. 184X),
merger related: Finance Dkt. 32760
(UP/SP)
Motion for extension of railbanking
negotiation period

Dear Mr. Williams:

Rails to Trails Conservancy (RTC) hereby moves for an extension of one year in the negotiation period for application of the federal railbanking statute (16 U.S.C. § 1247(d)) with respect to the Alturas Line, more specifically described as MP 360.1 near Wendel to MP 445.6 near McArthur, a distance of approximately 85.5 miles in Modoc and Lassen Counties, California.

RTC representatives participated in a telephone conference call earlier this month with Mr. Scott Kesler (for Modoc County) and representatives of the Bureau of Land Management (BLM) in connection with this line. Based on that conference, both BLM and RTC determined to reaffirm the propriety of railbanking of this line. It is my understanding that BLM informed Union Pacific (Letter of Mr. Robert Opal) of BLM's continued interest on or about February 5, 2002 (enclosure A). BLM also requested an extension from STB per letter dated February 5, 2002 (enclosure B). On behalf of RTC, I informed Union Pacific (letter to Mr. Opal) of RTC's continued interest in railbanking this line. See enclosure C. As indicated in the letter set forth in enclosure C, RTC understood that Mr. Opal would take action to secure an extension. By letter dated February 12, 2002 (attached as enclosure D), Mr. Opal, on behalf of Union Pacific, indicated it was agreeable to a one year extension and had not consummated abandonment authority.

RTC supports BLM's extension request, and RTC hereby moves, for the reasons set forth above and more fully in enclosures A,

B, and C, for the one year extension to which UP has already indicated agreement.

Very truly,



Charles H. Montange
for Rails to Trails Conservancy

Encl(s)

cc. Robert Opal, Esq., General Commerce Counsel

Law Department

Union Pacific Railroad Company

1416 Dodge St., Room 830

Omaha, NE 68179-0001 (by fax)

Andrea Ferster, Esq.

(RTC General Counsel)

Stan Bales, BLM

Scott Kesler (for Modoc County) (by fax) all w/encls.

Enclosure A



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

2950 Riverside Drive
Susanville, California 96130



In Reply
Refer to:

8300; (CA-350)

Robert T. Opal
General Commerce Counsel
Union Pacific Railroad Company
1416 Dodge Street, Room 830
Omaha, Nebraska 68179-0001

FEB 05 2002

RE: Docket No. AB-12 (Sub-No. 184X) Abandonment Exemption - Wendel-Alturas Line,
California (Related to FD 32706); Request for Extension of Negotiations For Trail
Use

Dear Mr. Opal:

Thank you for your letter of 1-24-02 regarding Union Pacific Railroad's intent to begin salvage of the track structure on the Wendel to Alturas line. The Bureau of Land Management (BLM) Eagle Lake Field Office (FO), with the concurrence of the BLM Alturas FO, remains actively interested in pursuing negotiations for railbanking of the Wendel-Alturas Line referenced above, under the Surface Transportation Board's (STB) rules for Interim Trail Use and Rail Banking, 49 CFR 1152.29. This includes the entire Wendel to Alturas Line. We enclose a copy of our letter to the STP requesting an extension of time for such negotiations. We look forward to entering into fruitful negotiations with Union Pacific Railroad Company (UPRR).

Based on recent discussions with Modoc County planning director, Scott Kessler, we understand that the City of Alturas and Modoc County continue their effort to generate business ventures that will keep the railroad in place and support its use. We support continued railroad use if feasible. We remain committed to pursuing railbanking as a means of protecting the railroad corridor, supporting the Modoc effort to keep the track active and to further evaluate trail use options.

We have also discussed railbanking with the Rails to Trails Conservancy who also has filed to railbank the line. It is our understanding that RTC will also be requesting extension of time to negotiate railbanking. We support RTC's request and look forward to working cooperatively with them to find the best options for railbanking the line.

Thank you for the current update on the Modoc line. We look forward to working with you to reach a mutually satisfactory agreement. If you need any additional information, please contact Stan Bales, BLM Recreation Planner at (530) 257-0456.

Sincerely,

Linda D. Hansen
for Linda D. Hansen
Field Manager

cc: kate bickert, rtc
wally herger

encl: letter to stb

WA-RR/UPRRltr_rIBnknngExt_2-4-02

Enclosure B



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

2950 Riverside Drive
Susanville, California 96130



In Reply
Refer to:

8300; (CA-350)

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

FEB 05 2002

RE: Docket No. AB-12 (Sub-No. 184X) Abandonment Exemption - Wendel-Alturas Line,
California (Related to FD 32706); Request for Extension of Negotiations For Trail
Use

Dear Mr. Williams:

The Bureau of Land Management (BLM) Eagle Lake Field Office (FO), with the concurrence of the BLM Alturas FO, remains actively interested in pursuing negotiations for railbanking of the Wendel-Alturas Line referenced above, under the Surface Transportation Board's (STB) rules for Interim Trail Use and Rail Banking, 49 CFR 1152.29. This includes the entire Wendel to Alturas Line.

On 1-24-02 Union Pacific Railroad notified this BLM office of their intent to begin salvaging track on the Wendel - Alturas line in the near future. We hereby request that the Surface Transportation Board grant a 6 month extension and preferably a one year extension for negotiations with the Union Pacific Railroad Company (UPRR). We anticipate that acquisition of the line from UPRR may take more than six months due to time needed to establish acquisition value and secure funds. Extension of the negotiation period for one year would provide for a more viable period to bring this action to a mutually satisfactory conclusion. To date only preliminary information has been provided by UPRR and negotiations have not occurred due to UPRR uncertainties about the line. In effect, the 1-24-02 UPRR letter has just initiated their intent on beginning negotiations and much work now needs to be done before agreements can be reached.

We appreciate your consideration of this request for an extension. A copy of our letter to UPRR is enclosed. If you need any additional information, please contact Stan Bales, BLM Recreation Planner at (530) 257-0456.

Sincerely,

Linda D. Hansen
for Linda D. Hansen
Field Manager
Eagle Lake Field Office

cc: bob opal, uprr - omaha
kate bickert, rtc - sf
wally herger
encl: uprr ltr

WA-RR/STBLtr_RlBnkExten_2-4-02

Enclosure C

CHARLES H. MONTANGE

ATTORNEY AT LAW

426 NW 162ND STREET

SEATTLE, WASHINGTON 98177

(206) 546-1936

FAX: (206) 546-3739

6 February 2002

Robert T. Opal, Esq.
General Commerce Counsel
Law Department
Union Pacific Railroad Company
1416 Dodge St., Room 830
Omaha, NE 68179-0001

Re: SP Trans Co. -- Exemption -- Wendel-
Alturas Line in Modoc and Lassen
Counties, CA, AB-12 (Sub-no. 184X),
merger related: Finance Dkt. 32760
(UP/SP)

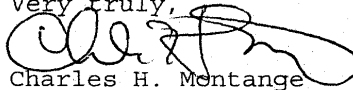
Dear Mr. Opal:

This is to confirm our telephone conversation and is on behalf of Rails to Trails Conservancy (RTC). After discussions with (a) Mr. Scott Kesler, Planning Director for Alturas and Modoc County, (b) representatives of the Bureau of Land Management, and (c) RTC's General Counsel and staff of RTC's California Field Office, I am authorized to state on behalf of RTC that RTC continues to be most interested in railbanking the entire line at issue in the above proceeding (MP 360.1 near Wendel to MP 445.6 near McArthur, a distance of approximately 85.5 miles) pursuant to 16 U.S.C. § 1247(d). We believe that the corridor is suitable for interim trail use and should be preserved for future rail use, compatible with § 12478(d). We also feel that railbanking under § 1247(d) is compatible with, and indeed optimal for, for all other proposed transportation-related uses of this line, including passenger excursion or modified PCN/community-based shortline rail uses.

We understand that upon receipt of this letter you will take such action as is appropriate before the Surface Transportation Board to secure an extension of the negotiation period for entry into a railbanking arrangement for this line. You are authorized to employ this letter as evidence of RTC's support for continued application of 16 U.S.C. § 1247(d) to this end.¹

¹ Rails to Trails Conservancy previously filed a "statement of willingness" as required by ICC/STB regulations for railbanking of this line, circa 29 March 1996.

Very truly,



Charles H. Montange
for Rails to Trails Conservancy

cc. Andrea Ferster, Esq.
(RTC General Counsel)
Stan Bales, BLM
Scott Kesler (for Modoc County)

Enclosure D

UNION PACIFIC RAILROAD COMPANY

Law Department



1416 DODGE STREET
ROOM 830
OMAHA, NEBRASKA 68179-0001
FAX (402) 271-5610

February 12, 2002

Via UPS Next Day Air

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: STB Docket No. AB-12 (Sub-No. 184X) – Abandonment of Rail Line Between
Wendel and McArthur, CA

Dear Mr. Williams:

This refers to the February 5, 2002 letter of the United States Bureau of Land Management ("BLM") requesting an extension of time for trail use negotiations on the above line.

UP is agreeable to an additional trail use negotiating period of one year for BLM or other entities that may desire trail negotiations. UP further states that it has not consummated the above abandonment so the Board continues to have jurisdiction over the line.

As background information, the above abandonment/discontinuance was exempted by the Board in September 1996 as part of the Board's decision approving the UP/SP merger. The exemption was subject to a negotiating period for trail use (NITU), which has been extended several times at UP's request. The most recent extension expired on August 8, 2001. However, meaningful negotiations were not possible during the prior trail use negotiating periods because of UP's uncertainty as to when the line would be available for disposition. UP is now ready to dispose of the line, and notified the prospective trail sponsors of this on January 24, 2002. The BLM's letter of February 5, 2002 is in response to our notification.

An additional ten (10) copies of this letter are enclosed for the Board's files.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Robert T. Opal", written over a horizontal line.

Robert T. Opal
General Commerce Counsel
Phone: (402) 271-3072
Fax: (402) 271-5610

cc: Ms. Linda D. Hansen
Area Manager
United States Department of the Interior
Bureau of Land Management
Eagle Lake Resource Area
2950 Riverside Drive
Susanville, CA 96130

Rails-to-Trails Conservancy
1100 Seventeenth Street, N.W.
10th Floor
Washington, D.C. 20036

Mr. Charles Montange
426 N.W. 162nd Street
Seattle, WA 98177

The Honorable Dick Steyer
Mayor, City of Alturas
200 North Street
Alturas, CA 96101

Mr. Scott Kesler
City Planning Director
City of Alturas
200 North Street
Alturas, CA 96101

Mr. Willie Hagge
Chair, Board of Supervisors
Modoc County
204 South Court Street
Alturas, CA 96101